

RENTAL MARKET REPORT

Thunder Bay CMA

Canada Mortgage and Housing Corporation

Release Date: 2007

Highlights

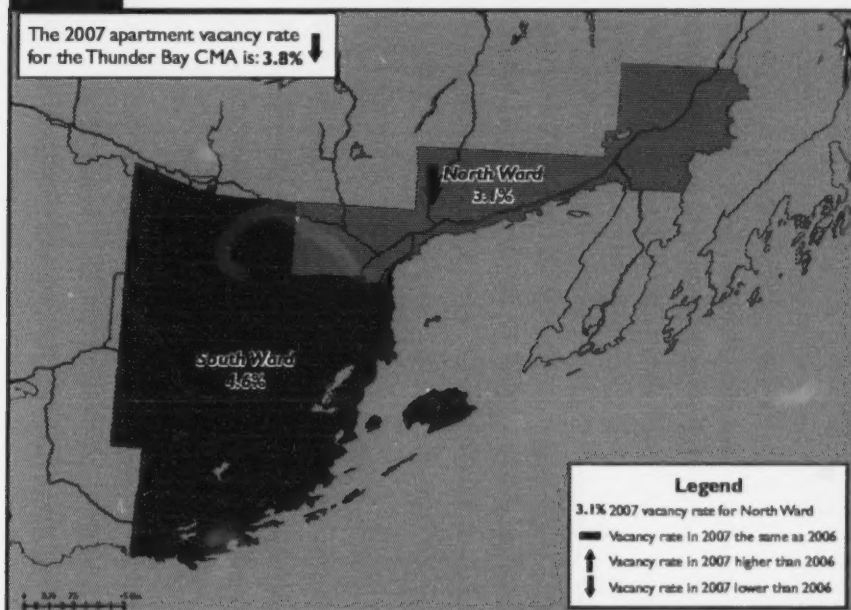
- After rising in 2006, the vacancy rate dipped to 3.8 per cent in October 2007, down from 4.9 per cent last year.
- Overall rents increased 2.1 per cent, the same as in 2006.
- Another decline in the vacancy rate is forecast for 2008, as an expanding service sector supports rental demand.

Table of Contents

1	Highlights
2	Vacancy Rate Declines
4	Rents Up Modestly
7	Survey Zone Map
9	Tables
15	Methodology

Figure 1

The 2007 apartment vacancy rate for the Thunder Bay CMA is: **3.8%** ↓



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Apartment Vacancy Rates (%) by Major Centres

	Oct-06	Oct-07
Abbotsford	2.0	2.1
Barrie	2.8	3.2
Brantford	2.3	2.9
Calgary	0.5	1.5
Edmonton	1.2	1.5
Gatineau	4.2	2.9
Greater Sudbury	1.2	0.6
Guelph	2.8	1.9
Halifax	3.2	3.1
Hamilton	4.3	3.5
Kelowna	0.6	0.0
Kingston	2.1	3.2
Kitchener	3.3	2.7
London	3.6	3.6
Moncton	5.6	4.3
Montréal	2.7	2.9
Oshawa	4.1	3.7
Ottawa	2.3	2.3
Peterborough	2.8	2.8
Québec	1.5	1.2
Regina	3.3	1.7
Saguenay	4.1	2.8
Saint John	6.8	5.2
Saskatoon	3.2	0.6
Sherbrooke	1.2	2.4
St. Catharines-Niagara	4.3	4.0
St. John's	5.1	2.6
Thunder Bay	4.9	3.8
Toronto	3.2	3.2
Trois-Rivières	1.0	1.5
Vancouver	0.7	0.7
Victoria	0.5	0.5
Windsor	10.4	12.8
Winnipeg	1.3	1.5
Total	2.6	2.6

Vacancy Rate Declines

The vacancy rate for Thunder Bay fell in October, 2007 according to CMHC's annual survey of residential rental structures with at least three units. After rising in 2006, the vacancy rate dipped to 3.8 per cent in October 2007, down from 4.9 per cent last year. Even with the decline, Thunder Bay still has the fifth highest vacancy rate in the country among centres with populations over 100,000.

Service Sector Offsets Forest Products Weakness

Thunder Bay's service sector is reasonably healthy despite weakness in the forest products sector. Job gains in the service sector coupled with good demand from post-secondary students helped strengthen rental demand over the past year despite households moving out of the community to seek better job prospects. A limited selection of resale listings on the market discouraged renters considering

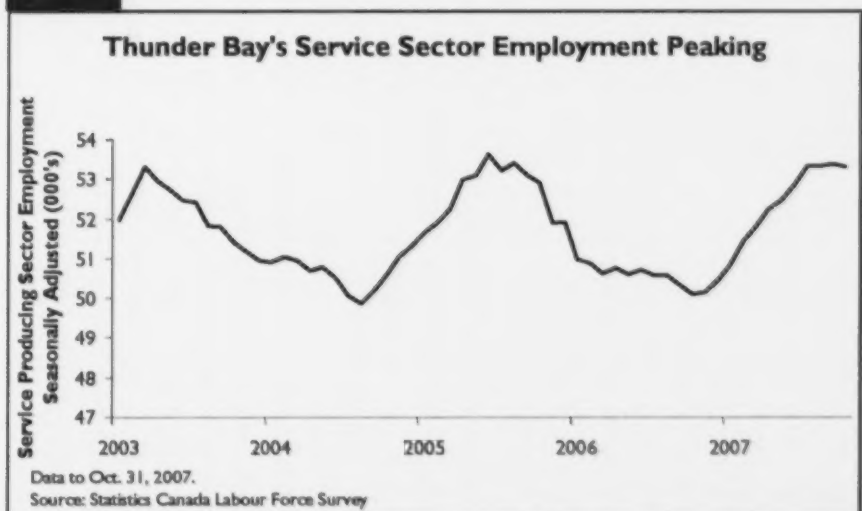
homeownership and kept them in their current accommodation.

Migration Into Thunder Bay Supports Rental Demand

In-migration from outlying communities continues to add to rental demand despite total net migration trending down for the second consecutive year. Furthermore, demand from college and university students is also fueling rental demand pressures.

Vacancies vary across wards and bedroom types: North Ward vacancies remain below average while South Ward vacancies dropped significantly. Proximity to the university and the newer rental stock in the North Ward are two key reasons for North Ward popularity in the Thunder Bay rental market. The vacancy rate in the North Ward fell to 3.1 per cent from 3.7 per cent in 2006 while South Ward vacancies also fell to 4.6 per cent from 6.2 per cent in 2006. The drop in South Ward vacancies underlined the significant tightening in the market

Figure 2



over the last twelve months. In this tightening vacancy environment, prospective renters are forced to look in all parts of the city for available accommodation.

Surprisingly, vacancies by bedroom type fell in only one of four bedroom types. Two-bedroom suites posting a 1.7 percentage point decline in vacancies over 2006. Vacancies rose in one-bedroom and three-bedroom stock to 5.0 per cent and 3.4 per cent respectively. Thunder Bay's vacant rental stock is mainly found in the one-bedroom stock. There were 104 vacant one-bedroom units compared to 76 vacant two-bedroom units.

Lowest Vacancies in Older Buildings

In Thunder Bay, vacancy rates across all age ranges of structures declined between 2006 and 2007 where the sample size was large enough to allow for the release of the data. Middle-aged structures completed between 1960 and 1974 continue to have the lowest vacancy rate at 1.6 per cent while those built between 1975 and 1989 are next with a vacancy rate of 2.9 per cent. Structures completed prior to 1940 languished with a vacancy rate of 13.1 per cent, down from 13.4 per cent in 2006.

Larger Buildings Continue to be Popular

The size of an apartment structure and its corresponding vacancy rate are inversely related in Thunder Bay. Structures containing between 3 and 5 units are experiencing the highest proportion of vacancies in Thunder Bay. The vacancy rate for this category of building in Thunder Bay fell

from 8.7 per cent in 2006 to 8.0 per cent in 2007. Structures with between 50 to 99 units, on the other hand, are experiencing few vacancies. The vacancy rate in this size range fell from 1.8 per cent to 0.5 per cent, a drop of the same magnitude (1.3 percentage points) as for the structures with between 20 to 49 units. Rents are generally higher in larger projects, which tend to be newer, in Thunder Bay.

Rents Up Modestly

The decline in the vacancy rate gave rise to rent increases in all bedroom types in 2007. Using the fixed sample approach now employed by CMHC, two bedroom rents rose 2.2 per cent while one bedroom rents rose 2.1 per cent. For all bedroom types, rents were up 2.1 per cent, the same as in the previous year. The fixed sample approach, which CMHC introduced in 2006, is strictly based on structures that were common to the survey sample for both the 2006 and 2007 surveys. The methodology section at the end of this report provides more detailed information on this measure.

The fixed sample increase is surprisingly close to the 2.6 per cent legislated allowable rent increase for 2007. Some extraordinary rent increases are probably being allowed across Northern Ontario because of escalating utility costs.

Higher Rents, Lower Vacancy Rates

In Thunder Bay, a flight to quality units with higher rents has been occurring. Vacancy rates in Thunder Bay are higher in structures with

lower rents and lower in structures with higher rents according to vacancy data by rent range. The vacancy rate in structures with rents between \$700 and \$800 is 1.8 per cent, down markedly from 4.0 per cent last year while in projects with rents higher than \$800, the vacancy rate is 2.1 per cent in Thunder Bay. Newer structures command higher rents. For instance, rents in structures completed after 1990 average \$854 for a two-bedroom apartment.

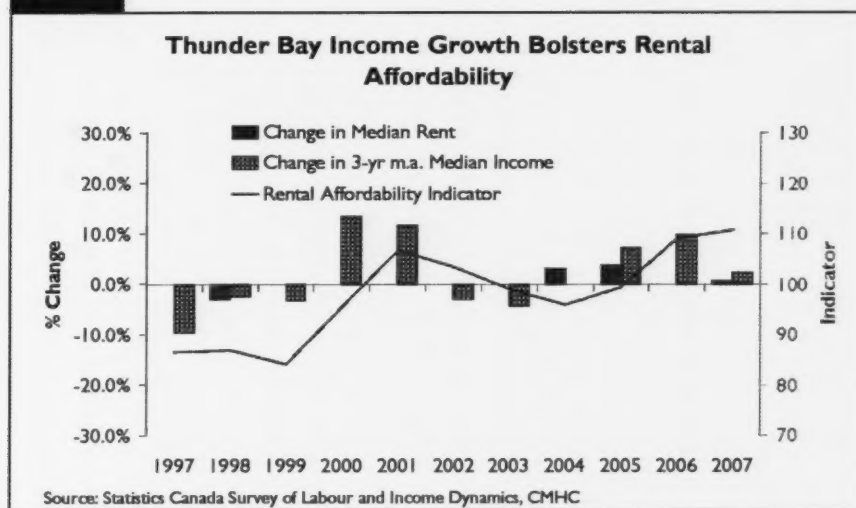
Availability Rates Follow Vacancy Rates Down

The availability rate is a slightly broader measure of what landlords have available to market to prospective tenants. The availability rate refers to the percentage of apartments that are either vacant or for which the existing tenant has given or received notice to move. Availability rates moved in the same direction as the vacancy rate in Thunder Bay. Thunder Bay's availability rate fell to 4.4 per cent from 5.9 per cent in 2006.

Modest Rent Increases Improve Thunder Bay's Rental Affordability

The rental affordability indicator is a gauge of how affordable a rental market is for those households which rent within that market. A generally accepted rule of thumb for affordability is that a household should spend less than 30 per cent of its gross income on housing. The new rental affordability indicator examines a three-year moving average of median income of renter households and compares it to the median rent for a two-bedroom apartment in the centre in which

Figure 3



they live. More specifically, the level of income required for a household to rent a median priced two-bedroom apartment, using 30 per cent of its income, is calculated. The three-year moving average of median income of households in a centre is then divided by this required income. The resulting number is then multiplied by 100 to form the indicator. An indicator value of 100 indicates that 30 per cent of the median income of renter households is necessary to rent a two-bedroom apartment going at the median rental rate. A value above 100 indicates that less than 30 per cent of the median income is required to rent a two-bedroom apartment, conversely, a value below 100 indicates that more than 30 per cent of the median income is required to rent the same unit. In general, as the indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

According to CMHC's new rental affordability indicator, strong increases in Thunder Bay median renter household income since 2005

have improved rental affordability. Two consecutive median income increases of above seven per cent in 2005 and 2006 combined with modest median rent gains have combined to boost the rental affordability indicator strongly to where it climbed to 111 in 2007, a full fifteen points higher than where it was in 2004. This level of affordability marks the highest point the centre has seen in the twelve years the indicator is available.

Thunder Bay Vacancies To Decline Again

Thunder Bay's vacancy rate will fall to 3.3 per cent in 2008. (see Figure 4) Several factors point to a lower vacancy rate in Thunder Bay.

Despite difficult conditions for the forest products industry, the service sector in the community is doing reasonably well. Since a good percentage of service sector workers are renters, this bodes well for the rental market. Continued solid enrolment levels helped by modest growth will keep demand from the student market strong. Furthermore, people migrating into Thunder Bay from the surrounding hinterlands may well have a higher propensity to rent because of income challenges. Finally, few new units will be added to the rental stock.

Thunder Bay's average rents will increase only 1.1 per cent in 2008 given relatively high vacancies. With the 2008 maximum allowable increase set by the province at only 1.4 per cent, and vacancies still on the high side, pressure to increase rents will be tempered.

Figure 4



TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: \$500 in 2006 vs. \$550 in 2007 represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the 2006 and 2007 Fall Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

National Vacancy Rate Unchanged at 2.6 Per Cent in October 2007

The average rental apartment vacancy rate in purpose built apartment buildings with three or more units in Canada's 34 major centres¹ was unchanged at 2.6 per cent in October 2007 compared to a year ago. The centres with the highest vacancy rates in 2007 were Windsor (12.8 per cent), Saint John (5.2 per cent) and Moncton (4.3 per cent). The centres with the lowest vacancy rates were Kelowna (0.0 per cent), Victoria (0.5 per cent), Greater Sudbury (0.6 per cent) and Saskatoon (0.6 per cent).

Strong employment growth, solid income gains, and high immigration levels continued to support strong demand for both ownership and rental housing. The rising gap between the cost of home ownership and renting also kept demand strong for rental accommodation. However, modest rental construction and increased competition from the condominium market offset the strong rental demand, keeping the rental apartment vacancy rate unchanged from a year earlier. Condominiums are a relatively inexpensive type of housing for renters moving to home ownership. Also, some condominium apartments are owned by investors who rent them out. Therefore, high levels of condominium completions have created competition for the rental market and have put upward pressure on vacancy rates.

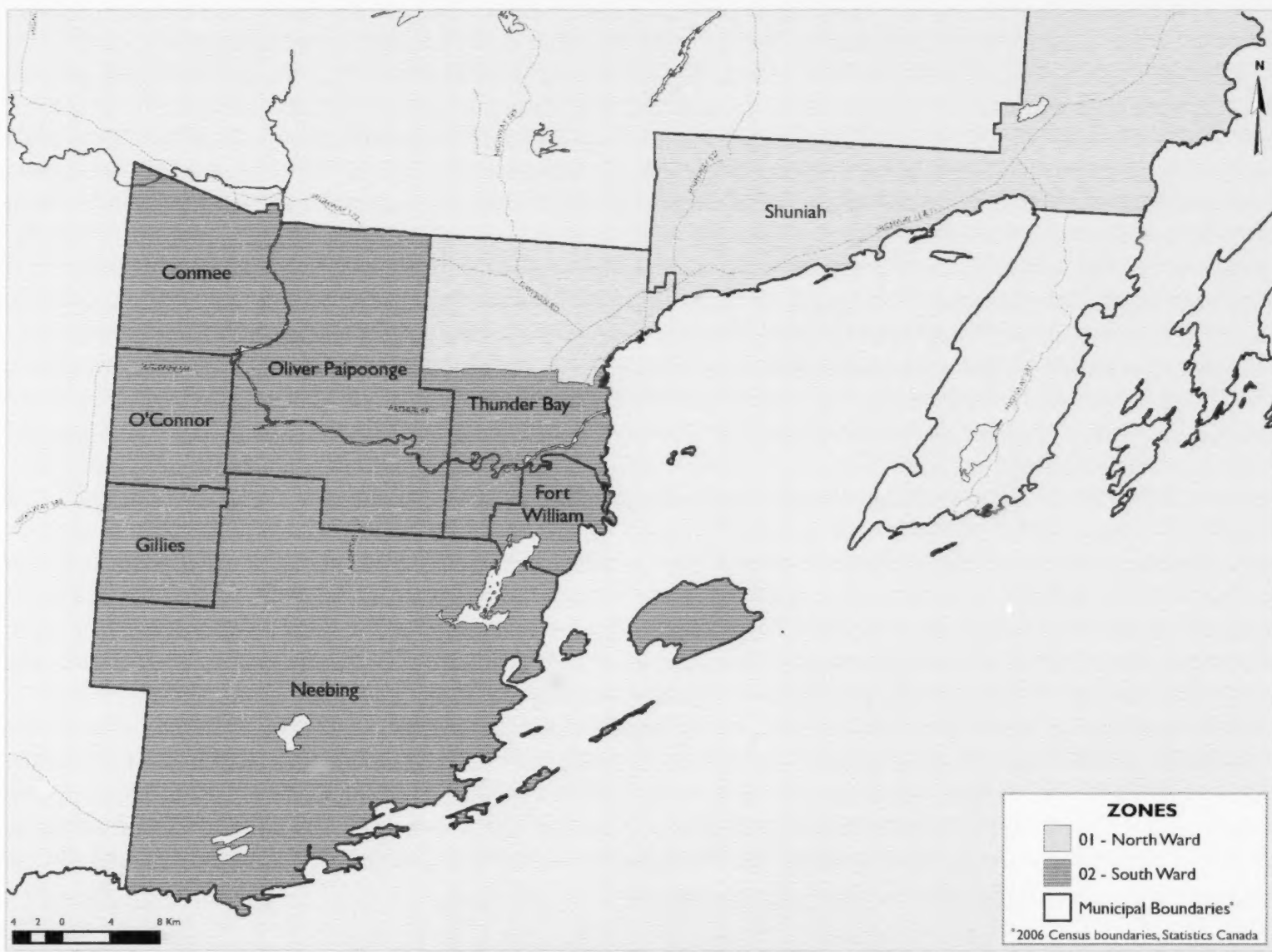
The highest average monthly rents for two-bedroom apartments in new and existing structures were in Calgary (\$1,089), Vancouver (\$1,084), Toronto (\$1,061) and Ottawa (\$961), followed by Edmonton (\$958) and Barrie (\$934). The lowest average monthly rents for two-bedroom apartments in new and existing structures were in Trois-Rivières (\$487) and Saguenay (\$490).

Year-over-year comparison of rents can be slightly misleading because rents in newly built structures tend to be higher than in existing buildings. However, by excluding new structures, we can get a better

indication of actual rent increases paid by tenants. The average rent for two-bedroom apartments in existing structures increased in all major centres except Windsor where the average rent in existing structures was essentially unchanged for a second consecutive year. The largest rent increases occurred in markets where vacancy rates were quite low. Rents in existing structures were up 18.8 per cent in Edmonton, 15.3 per cent in Calgary, 13.5 per cent in Saskatoon, 7.7 per cent in Greater Sudbury and 7.0 per cent in Kelowna. Overall, the average rent for two-bedroom apartments in existing structures across Canada's 34 major centres increased by 3.5 per cent between October 2006 and October 2007.

CMHC's October 2007 Rental Market Survey also covers condominium apartments offered for rent in the following centres: Vancouver, Calgary, Edmonton, Toronto, Ottawa, Montréal, and Québec. In 2007, vacancy rates for rental condominium apartments were below one per cent in four of the seven centres surveyed. Rental condominiums in Vancouver had the lowest vacancy rate at 0.2 per cent. On the other hand, Québec and Montréal registered the highest vacancy rates for condominium apartments at 2.4 per cent and 3.8 per cent in 2007, respectively. The survey showed that vacancy rates for rental condominium apartments in 2007 were lower than vacancy rates in the conventional rental market in Vancouver, Calgary, Toronto and Ottawa, the same in Edmonton, and higher in Québec and Montréal. The highest average monthly rents for two-bedroom condominium apartments were in Toronto (\$1,533), Vancouver (\$1,435), and Calgary (\$1,217). All surveyed centres posted average monthly rents for two-bedroom condominium apartments that were higher than average monthly rents for two-bedroom private apartments in the conventional rental market in 2007.

¹ Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes.



RMS ZONE DESCRIPTIONS - THUNDER BAY CMA	
Zone 1	North Ward: Thunder Bay Census Metropolitan Area north of a line running roughly along 10th and 11th Avenues to Edward Street; then east of Edward Street to Oliver Road; then north of Oliver Road to the CMA's western boundary.
Zone 2	South Ward: Thunder Bay Census Metropolitan Area south of a line running roughly along 10th and 11th Avenues to Edward Street; then west of Edward Street to Oliver Road; then south of Oliver Road to the CMA's western boundary.
Zones 1-2	Thunder Bay CMA

RENTAL MARKET REPORT TABLES

Available in ALL Rental Market Reports

Private Apartment Data:

- 1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
- 1.1.2 Average Rents (\$) by Zone and Bedroom Type
- 1.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
- 1.1.4 Availability Rates (%) by Zone and Bedroom Type
- 1.1.5 Estimate of Percentage Change (%) of Average Rent
- 1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
- 1.2.2 Average Rents (\$) by Year of Construction and Bedroom Type
- 1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
- 1.3.2 Average Rents (\$) by Structure Size and Bedroom Type
- 1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

- 1.3.3 Vacancy Rates (%) by structure Size and Zone

Private Row (Townhouse) Data:

- 2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
- 2.1.2 Average Rents (\$) by Zone and Bedroom Type
- 2.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
- 2.1.4 Availability Rates (%) by Zone and Bedroom Type
- 2.1.5 Estimate of Percentage Change (%) of Average Rent

Private Apartment and Row (Townhouse) Data:

- 3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
- 3.1.2 Average Rents (\$) by Zone and Bedroom Type
- 3.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
- 3.1.4 Availability Rates (%) by Zone and Bedroom Type
- 3.1.5 Estimate of Percentage Change (%) of Average Rent

Available in the Quebec, Montreal, Ottawa, Toronto, Edmonton, Calgary and Vancouver Reports

Rental Condominium Apartment Data *

- 4.1.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%)
- 4.1.2 Rental Condominium Apartments and Private Apartments in the RMS - Average Rents (\$)
- 4.1.3 Rental Condominium Apartments - Average Rents (\$)
- 4.2.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%) by Building Size
- 4.3.1 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate
- 4.3.2 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate by Building Size

Available in the Montreal, Toronto, Vancouver, St. John's, Halifax, Quebec, Barrie, Ottawa, Calgary, Edmonton, Abbotsford and Kelowna Reports

Secondary Rented Unit Data *

- 5.1 Secondary Rented Unit Average Rents (\$) by Dwelling Type
- 5.2 Estimated Number of Households in Secondary Rented Units and Estimated Percentage of Households in Secondary Rented Units by Dwelling Type

* New Surveys - Please refer to the Methodology section for additional information.

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Zone 1 - North Ward	**	**	4.7 c	4.4 b	3.0 c	2.1 a	0.0 d	3.8 d	3.7 b	3.1 b
Zone 2 - South Ward	**	**	5.1 c	5.5 c	5.9 c	3.2 c	0.0 d	**	6.2 b	4.6 b
Thunder Bay CMA	13.7 d	**	4.9 b	5.0 b	4.3 b	2.6 a	0.0 c	3.4 d	4.9 b	3.8 b

The following letter codes are used to indicate the reliability of the estimates:

a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)

** Data suppressed to protect confidentiality or data is not statistically reliable

n/a: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.1.2 Private Apartment Average Rents (\$) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Zone 1 - North Ward	428 b	456 a	607 a	614 a	730 a	747 a	845 b	900 a	678 a	689 a
Zone 2 - South Ward	438 b	449 b	536 a	552 a	655 a	666 a	699 b	792 b	593 a	612 a
Thunder Bay CMA	434 a	452 a	571 a	584 a	696 a	709 a	804 b	860 a	637 a	652 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):

a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)

d – Fair (Use with Caution) ($7.5 < cv \leq 10$)

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n/a: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.1.3 Number of Private Apartment Units Vacant and Universe in October 2007
by Zone and Bedroom Type
Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - North Ward	**	116	46 b	1,047	33 a	1,533	4 d	111	86 b	2,806
Zone 2 - South Ward	**	129	58 c	1,053	44 c	1,351	**	56	120 b	2,588
Thunder Bay CMA	**	245	104 b	2,100	76 a	2,884	6 d	166	206 b	5,394

1.1.4 Private Apartment Availability Rates (%)
by Zone and Bedroom Type
Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Zone 1 - North Ward	**	**	5.0 c	4.5 b	3.6 c	2.6 a	0.0 d	5.2 d	4.1 b	3.4 b
Zone 2 - South Ward	**	**	6.2 c	6.0 b	7.6 b	4.2 b	0.0 d	**	7.8 b	5.3 b
Thunder Bay CMA	**	**	5.6 b	5.3 b	5.4 b	3.3 b	0.0 c	4.3 d	5.9 a	4.4 a

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Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent¹ by Bedroom Type Thunder Bay CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-05 to Oct-06	Oct-06 to Oct-07	Oct-05 to Oct-06	Oct-06 to Oct-07	Oct-05 to Oct-06	Oct-06 to Oct-07	Oct-05 to Oct-06	Oct-06 to Oct-07	Oct-05 to Oct-06	Oct-06 to Oct-07
Zone 1 - North Ward	**	**	3.3 d	1.7 c	1.8 b	1.5 c	**	**	2.1 b	1.5 a
Zone 2 - South Ward	**	++	++	2.6 c	++	3.1 b	**	**	**	2.8 c
Thunder Bay CMA	3.4 d	++	4.0 d	2.1 c	1.4 a	2.2 a	**	2.0 b	2.1 c	2.1 b

¹The Estimate of Percentage Change is a measure of the market movement, and is based on those structures that were common to the survey for both years.

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** Data suppressed to protect confidentiality or data is not statistically reliable

++ change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0)

n/u: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Thunder Bay CMA										
Pre 1940	**	**	14.0 d	**	**	**	0.0 d	0.0 d	13.7 d	13.1 d
1940 - 1959	**	**	**	**	**	**	**	**	5.7 d	4.3 d
1960 - 1974	**	**	1.8 c	1.8 b	2.5 b	1.3 a	0.0 d	**	2.6 b	1.6 a
1975 - 1989	**	**	2.9 b	2.6 b	4.4 c	2.9 b	**	**	3.9 c	2.9 a
1990+	n/u	**	3.7 d	14.0 a	**	0.0 c	0.0 d	4.2 d	**	3.6 d
Total	13.7 d	**	4.9 b	5.0 b	4.3 b	2.6 a	0.0 c	3.4 d	4.9 b	3.8 b

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Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.2.2 Private Apartment Average Rents (\$) by Year of Construction and Bedroom Type Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Thunder Bay CMA										
Pre 1940	412 b	401 a	484 a	498 a	566 a	566 a	**	649 c	505 a	507 a
1940 - 1959	426 b	426 a	506 a	511 a	616 a	615 a	**	**	549 a	538 a
1960 - 1974	447 a	528 a	590 a	611 a	684 a	709 a	779 b	844 b	634 a	662 a
1975 - 1989	478 a	405 c	637 a	635 a	728 a	725 a	981 a	984 a	702 a	698 a
1990+	n/u	**	672 d	634 b	849 c	854 c	792 b	868 a	804 c	817 b
Total	434 a	452 a	571 a	584 a	696 a	709 a	804 b	860 a	637 a	652 a

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Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.3.1 Private Apartment Vacancy Rates (%) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Thunder Bay CMA										
3 to 5 Units	**	**	10.5 d	**	**	4.2 d	0.0 d	**	8.7 c	8.0 c
6 to 19 Units	**	**	5.3 d	6.4 c	5.8 d	4.5 c	0.0 d	**	5.8 c	5.4 b
20 to 49 Units	13.9 a	**	1.8 a	1.4 a	1.7 a	0.8 a	**	0.0 a	2.6 a	1.3 a
50 to 99 Units	8.3 a	0.0 a	0.8 a	0.5 b	2.2 a	0.5 a	**	**	1.8 a	0.5 a
100+ Units	n/u	n/u	**	**	**	**	**	**	**	**
Total	13.7 d	**	4.9 b	5.0 b	4.3 b	2.6 a	0.0 c	3.4 d	4.9 b	3.8 b

The following letter codes are used to indicate the reliability of the estimates:

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Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.3.2 Private Apartment Average Rents (\$) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Thunder Bay CMA										
3 to 5 Units	386 c	391 b	487 a	494 a	603 a	601 a	779 b	852 a	552 a	566 a
6 to 19 Units	448 a	434 a	546 a	559 a	641 a	655 a	706 b	824 b	594 a	608 a
20 to 49 Units	445 a	502 b	593 a	608 a	731 a	749 a	**	**	660 a	679 a
50 to 99 Units	482 a	491 a	669 a	682 a	770 a	790 a	**	**	735 a	753 a
100+ Units	n/u	n/u	**	**	**	**	**	**	**	**
Total	434 a	452 a	571 a	584 a	696 a	709 a	804 b	860 a	637 a	652 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):

a - Excellent ($0 \leq cv \leq 2.5$), b - Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$)

d - Fair (Use with Caution) ($7.5 < cv \leq 10$)

** Data suppressed to protect confidentiality or data is not statistically reliable

n/u: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

1.4 Private Apartment Vacancy Rates (%) by Rent Range and Bedroom Type Thunder Bay CMA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07	Oct-06	Oct-07
Thunder Bay CMA										
LT \$400	**	**	**	**	n/s	**	n/s	n/s	**	**
\$400 - \$499	**	**	**	**	**	**	n/s	n/s	11.3 d	11.2 d
\$500 - \$599	**	**	4.1 d	6.9 c	**	**	**	**	5.0 c	5.2 c
\$600 - \$699	**	**	1.8 c	2.8 b	4.4 c	4.5 c	**	**	3.3 c	3.7 b
\$700 - \$799	n/s	**	4.6 b	2.6 b	4.0 c	1.6 b	**	**	4.0 c	1.8 a
\$800+	n/s	n/s	**	**	2.5 a	1.7 c	0.0 d	**	2.0 a	2.1 c
Total	13.7 d	**	4.9 b	5.0 b	4.3 b	2.6 a	0.0 c	3.4 d	4.9 b	3.8 b

The following letter codes are used to indicate the reliability of the estimates:

a - Excellent, b - Very good, c - Good, d - Fair (Use with Caution)

** Data suppressed to protect confidentiality or data is not statistically reliable

n/u: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click [Methodology](#) or [Data Reliability Tables Appendix](#) links for more details

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey (RMS)** every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled structures. Most RMS data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. In October 2006, CMHC introduced a new measure for the change in rent that is calculated based on existing structures only. This estimate is based on structures that were common to the survey sample the previous year and the current year of the Rental Market Survey. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in the Rental Market Report – Canada Highlights, Provincial Highlights, and the local Rental Market Reports. The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market (SRMS)** in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. In 2007, rented condominium apartments were surveyed in the following CMAs: Vancouver, Calgary, Edmonton, Toronto, Ottawa, Montréal and Québec. Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Kelowna, Toronto and Vancouver.

DEFINITIONS

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Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

October 2006 data presented in this publication is based on Statistics Canada's 2001 Census area definitions. October 2007 data presented in this publication is based on Statistics Canada's 2006 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicator

Canada Mortgage and Housing Corporation has developed a new rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. The level of income required for a household to rent a median priced two-bedroom apartment, using 30 per cent of its income, is calculated. The three-year moving average of median income of households in a centre is then divided by this required income. The resulting number is then multiplied by 100 to form the indicator. A value above 100 indicates that less than 30 per cent of the median income is required to rent a two-bedroom apartment, conversely, a value below 100 indicates that more than 30 per cent of the median income is required to rent the same unit. In general, as the indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

Median renter household income estimates used in the calculation of the rental affordability indicator are based on results of Statistics Canada's Survey of Labour and Income Dynamics. Results for this survey are available from 1994 to 2005. CMHC has developed forecasts of median renter household incomes for 2006 and 2007.

CMHC—HOME TO CANADIANS

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Together with other housing stakeholders, we help ensure that the Canadian housing system remains one of the best in the world. We are committed to helping Canadians access a wide choice of quality, environmentally sustainable and affordable homes – homes that will continue to create vibrant and healthy communities and cities across the country.

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